

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

In Re:

PORTERFIELD-SCHEID MANAGEMENT
COMPANY, LLC,
Debtor in Possession

PORTERFIELD-SCHEID MANAGEMENT
COMPANY, LLC,,
Movant

v.

INTEGRITY FIRST CAPITAL, LLC,
Respondent

Chapter 11

Case No. 1:24-bk-01127

DEBTOR IN POSSESSION'S MOTION
FOR APPROVAL OF SALE OF DEBTOR'S REAL ESTATE
FREE AND CLEAR OF LIENS, ENCUMBRANCES, CLAIMS AND OBLIGATIONS

COMES NOW, this 12th day of November, 2024, the Debtor in Possession, by its attorneys,
CGA Law Firm, Lawrence V. Young, Esquire, and does file the within Motion averring that:

PARTIES

1. Movant is the within Debtor in Possession, Porterfield-Scheid Management, LLC, (hereinafter referred to as "Debtor"). Debtor is represented by CGA Law Firm, Lawrence V. Young, Esquire, 135 North George Street, York, Pennsylvania 17401.

2. The Respondent is Integrity First Capital, LLC, P.O. Box 106, Rossville, Pennsylvania 17358. Integrity First Capital, LLC is represented by Daniel S. Siedman, Esquire, 1905 Spruce Street, Philadelphia, Pennsylvania 19103. Integrity First Capital, LLC holds a valid mortgage on the property located at 890 Isabel Drive, Lebanon, Pennsylvania 17042 (hereinafter the "Property").

JURISDICTION AND VENUE

3. This Motion is filed pursuant to 11 U.S.C. § 363 in that the Debtor is seeking to sell certain assets free and clear of all liens and encumbrances.

4. The issues and matters set forth in this Motion constitute a core proceeding under 28 U.S.C. § 157(b)(2).

5. Jurisdiction in the Bankruptcy Court is appropriate pursuant to 28 U.S.C. § 1334. Venue is appropriate in the United States Bankruptcy Court for the Eastern District of Pennsylvania pursuant to 28 U.S.C. § 1409.

RELIEF SOUGHT

6. All preceding and succeeding paragraphs are incorporated herein by reference.

7. The within case was filed as a voluntary Chapter 11 on May 3, 2024.

8. Prior to the filing of the within case, the Debtor attempted to maintain the operations of this facility for the purpose of selling it as part of a restructuring.

9. Debtor has received an offer from Kevin M. Bean Living Trust, with an address of 170 Hain Mill Road, Wernersville, Pennsylvania 19565, or its Nominee (hereinafter “Buyer”), to purchase the real estate located at 890 Isabel Drive, Lebanon, PA 17042 for the sum of One Million Six hundred seventy-five Thousand dollars (\$1,675,000.00) as set forth in the attached Agreement of Sale, which is attached hereto and incorporated herein by reference as Exhibit “A.”

10. The Property is subject to a mortgage in favor of Integrity First Capital, LLC in the approximate amount of their Proof of Claim for \$1,395,072.44 plus interest.

11. The sale of the Property shall be free and clear of all liens and encumbrances pursuant to 11 U.S.C. § 363, but that the liens and encumbrances shall be paid in the order of their legal entitlement.

13. Those administrative expenses to be paid from the proceeds of the sale of the Property shall include but not be limited to: notary charges, filing fees, certifications, etc., which would be necessary to pass good and marketable title of the Property and to comply with the requirements of the Agreement of Sale.

14. The Buyer is not in any way related by blood or marriage to any of the current shareholders, officers, principals or employees of any of the individuals involved in the Debtor corporation.

15. The Debtor listed the property for sale with their bankruptcy appointed Realtor, Laurie Rhea of the Decain Group.

16. Debtor believes the within sale to be in the best interest of all creditors and parties in interest.

17. Debtor requests that a specific finding be made that Buyer is a “good faith” purchaser as that phrase is used in 11 U.S.C. § 363(m).

18. Debtor consents to the entry of a final order of this Honorable Court if it is determined that this Honorable Court, absent consent of the parties, cannot enter a final Order consistent with Article III of the United States Constitution.

19. Based upon all of the foregoing, the Debtor requests that the Court enter an Order approving the proposed sale free and clear of any liens, claims and encumbrances that may exist or may attach to the assets being sold. After payment of administrative expenses enumerated in the paragraphs above, the lien of Integrity First Capital, LLC and any other liens will attach to all

proceeds from the sale of Debtor's assets and said liens shall be paid from the sale proceeds in the order of their priority. Any liens or encumbrances not paid from the sale proceeds shall not attach to the assets or the proceeds in escrow, but shall create a deficiency claim for the unpaid amount and remain a lien on the remaining, unsold assets.

WHEREFORE, the Debtor in Possession requests this Honorable Court enter an Order granting it authority to sell the real estate located at 890 Isabel Drive, Lebanon, Pennsylvania 17042 pursuant to the terms set forth in the within Motion.

Respectfully submitted

CGA Law Firm

/s/Lawrence V. Young, Esquire

Lawrence V. Young, Esquire

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